BEFORE THE

Federal Communications Commission

WASHINGTON, D.C.

In the Matter of	)	
	)	
Access Charge Reform	)	CC Docket No. 96-262
	)	
Price Cap Performance Review for Local Exchange Carriers	)	CC Docket No. 94-1
	)	
Tariffs Implementing Access Charge Reform	)	CC Docket No. 97-250
	)	
Request for the Amendment of the Commission's Rules Regarding Access Charge Reform and Price Cap Performance Review for Local Exchange Carriers	)	RM-9210

COMMENTS OF TIME WARNER TELECOM CORPORATION

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Time Warner Communications Holdings Inc. d/b/a Time Warner Telecom ("TWTC"), hereby files these comments in the above-captioned proceedings.

I. INTRODUCTION AND SUMMARY.

The ultimate success of the Commission's effort to promote local exchange competition and thereby reduce access charges will depend largely on incumbent LEC cooperation. However, it is too much to expect that ILECs will voluntarily relinquish their stranglehold on the local exchange. Hence, ILEC cooperation must be induced by the promise of pricing flexibility and in-region interLATA entry once certain requirements have been completely and effectively fulfilled.[1] The inherent balance of this approach is working, albeit at a deliberate pace. There is evidence that local exchange competition is beginning to develop which would permit the Commission's successful implementation of market-based policies. The evidence that the Commission's policies are beginning to take effect strongly counsels in favor of their retention. To change course toward more prescriptive regulatory mechanisms would be premature and would eliminate the long-term dynamic benefits that the Commission's market-based approach offers.

Of course, much remains to be accomplished. While it is premature to call the market-based approach a failure, it also is premature to suggest that the Commission's goals have been achieved. Substantial progress remains to be accomplished and will be achieved only with ILEC cooperation. In particular, while competitive entry has occurred, its breadth and depth are far from uniform. For this reason, the Commission must maintain ILEC incentives to cooperate. Were the Commission to grant ILECs their requested pricing flexibility and other regulatory relief at this time, insufficient tools would remain to truly open local exchange markets to competition and to drive access charges to forward-looking economic costs. In short, TWTC expresses guarded

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1 Of course, the two are interrelated. The availability of unbundled network elements at cost-based rates can be expected to exert downward pressure on access charges to the extent that exchange access can be accomplished by means of UNEs.

optimism for the Commission's existing access charge policies and encourages it to maintain a prudent and measured course.

II. THE COMMISSION'S MODIFIED MARKET-BASED APPROACH TO ACCESS CHARGE REFORM CONTINUES TO PRESENT THE OPTIMAL COURSE.

The Commission should reject requests to adopt prescriptive measures for driving access charges to forward-looking economic costs.[2] Market-based policies continue to represent the preferred means of accomplishing public interest objectives. Although a prescriptive approach offers short-term price reductions, these prices are less efficient than prices determined by a competitive market. Any efficiency gains resulting from a prescriptive approach are static, one time events that require maintenance through regulatory oversight, with no assurance that the resulting rates reflect the underlying cost of providing the service. As the Commission has recognized, a market-based approach will eventually permit competition to replace regulation as "the primary means of setting prices and facilitating investment decisions."[3] Moreover,

> [c]ompetitive markets are superior mechanisms for protecting consumers by ensuring that goods and services are provided to consumers in the most efficient manner possible and at prices that reflect the cost of production. . . . In addition, using a market-based approach should minimize the potential that regulation will create and maintain distortions in the investment decisions of

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2 See Tariffs Implementing Access Charge Reform, CC Docket No. 97-250, *MCI Emergency Petition for Prescription* (filed Feb. 24, 1998)("MCI Petition").

3 Access Charge Reform, CC Docket No. 96-262, *First Report and Order*, 12 FCC Rcd 15982 at ¶ 14 (1997)("First Report and Order").

competitors as they enter local telecommunications markets.[4]

Finally, and most importantly, a market-based approach will permit the realization of dynamic long-term benefits, such as the entry of firms with lower costs than the ILECs.

However, for all its advantages, the market-based approach requires time to take effect.[5] Claims that the market-based approach has failed are severely premature. The Commission must allow additional time for meaningful competition to develop and there is substantial evidence that the process has already begun. For example, the Commission's "Trends in Telephone Service" report[6] shows that CLECs doubled the amount of fiber they had installed from the end of 1995 to the end of 1996 -- just a few months after enactment of the 1996 Telecommunications Act.[7] Indeed, new local service competitors accounted for approximately 10% of the total fiber optic systems capacity (as measured by fiber miles).[8] The number of CLECs nearly doubled from 1995 to

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4 Id. at ¶ 263.

5 See "Industry Leaders at Tech Summit See IP Telephony Pushing Access Charge Reform to FCC Front Burner," Telecommunications Reports at 19 (Oct. 12, 1998)(quoting Sprint Chairman and CEO William T. Esrey as saying "[i]t was unrealistic to think that six months to a year or even 18 months after the Telecommunications Act was passed, suddenly the world was going to change. It doesn't happen that fast. But the horse is out of the barn, and changes are happening.").

6 "Trends in Telephone Service," Industry Analysis Div., Common Carrier Bureau, Federal Communications Commission (rel. Feb. 1998)("Trends Report").

7 Id. at Chart 9.1.

1996 and CLEC revenues increased nearly 75% in the same time period.[9]

The Commission's more recent "Fiber Deployment Update: End of Year 1997" explains that "[a]lthough small in comparison to the amount of fiber owned by IXCs and local telephone companies, the amount of CAP-owned fiber has been growing rapidly."[10] In 1997, CAPs had constructed over 1.8 million miles of fiber nationwide.[11]

In addition, the Commission relies, in part, on the availability of UNEs to exert downward pressure on interstate access charges.[12] ILEC recalcitrance in the provision of CLEC

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8 Id. Of course, the Trends Report notes that this overstates the position of CLECs relative to incumbents since as much as 90% of ILEC transmission networks consist of copper, not fiber. Id.

9 Id. Moreover, while the CLEC share of nationwide local service revenues remained small, its growth remained significant. Id.

10 Jonathan M. Kraushaar, "Fiber Deployment Update: End of Year 1997," Industry Analysis Div., Common Carrier Bureau, Federal Communications Commission at 34 (1998). The term "CAP" is intended to encompass only entities that own their facilities as opposed to leasing them. Id.

11 Id. at T.14. This figure is derived from numbers provided by only 10 CAPs. Other CAPs either did not report these figures (i.e., Eastern Telelogic, MCImetro) or were excluded from the study because they use microwaves as their transmission medium (i.e., Teligent, WinStar).

12 See First Report and Order at ¶ 337 ("The availability of access services at competitive levels is vital to the general approach we adopt in this Order, which relies on the growth of competition, including from competitors using unbundled network elements, to move overall access rate levels toward forward-looking economic cost."); see also id. at ¶ 262 ("interstate access services can be replaced with some interconnection services or with functionality offered by unbundled elements. Because these policies will greatly

access to UNEs has been chronic since passage of the 1996 Act. As shown below, the ILECs' foot-dragging can and should be remedied by regulation and should not provide the basis for prescriptive rate reductions.

For example, ILEC resistance to providing adequate collocation arrangements is slowing the development of competition through both UNEs and facilities-based entry. Incumbent LECs require CLECs providing service using recombined UNE platforms to obtain access to these elements in a central office through physical collocation, and facilities-based carriers require collocation for interconnection purposes. Unfortunately, ILECs have made collocation as difficult and as costly as possible for competitors. The Commission should speed the development of competition by implementing national collocation rules (while allowing States such as New York and Texas to find their own ways to make collocation more flexible and less costly for CLECs).

As TWTC explained in greater detail in its Advanced Services Comments,[13] the Commission also should ensure that all interstate rates for virtual as well as physical collocation are based on forward-looking costs. Collocation, like UNEs and

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facilitate competitive entry into the provision of all telecommunications services, we expect that interstate access services will ultimately be priced at competitive levels even without direct regulation of those prices.").

13 The Deployment of Wireline Services Offering Advanced Telecommunications Capability, CC Docket No. 98-147, *Comments of Time Warner Telecom* (filed Sep. 25, 1998).

interconnection, is an essential input of production for competitive service offerings and, like UNEs and interconnection, collocation rates should be based on forward-looking costs.[14]

In addition, ILECs should be required to allow CLECs to purchase equipment used in virtual collocation arrangements (for which ILECs have already been fully compensated) for a nominal sum so that the superior physical collocation arrangements can be established. Prior to the passage of the 1996 Act, TWTC and other competitive LECs were forced to rely on virtual collocation.[15] Since passage of the 1996 Act, ILECs must offer physical collocation.[16] Unless the equipment utilized in the virtual arrangement (again, equipment already fully paid for by the CLEC) can be purchased from the ILEC for a nominal sum and reused elsewhere in the CLEC's network once the cutover is completed, the CLEC must essentially duplicate its equipment costs to establish a physical arrangement.

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[14] To improve the incumbents' performance in provisioning collocation, the Commission should adopt performance measures (defining the kind of information incumbents should record), benchmarks (establishing specific time-frames as presumptively reasonable), and penalties for failure to meet benchmarks. TWTC recommends adoption of measures and benchmarks adopted by the Local Competition Users Group in Version 7.0 of its Service Quality Measurements, although states should be free to adopt further, complementary requirements.

[15] See Expanded Interconnection with Local Telephone Company Facilities, CC Docket No. 91-141, *Memorandum Opinion and Order*, 9 FCC Rcd 5154 (1994)("Virtual Collocation Order") (establishing mandatory virtual collocation regime following D.C. Circuit decision in Bell Atlantic Tel. Cos. v. F.C.C., 24 F.3d 1441 (D.C. Cir. 1994)(overturning the FCC's physical collocation rules).

[16] 47 U.S.C. § 251(c)(6).

Furthermore, since space limitations may continue to make virtual collocation necessary in certain situations, the Commission should also work to reduce the cost of those arrangements. In the past, the Commission was unwilling to require incumbent LECs to allow collocators to purchase collocated equipment and sell it to the incumbent who would then lease it back to the collocator. The Commission was concerned that such a requirement might violate the D.C. Circuit decision overturning the physical collocation rules.[17] Now that Congress has granted the Commission explicit authority to require physical collocation, it should require incumbents to enter into sale-lease-back arrangements.

In addition, the Commission should require incumbents to allow collocators to (1) share collocation cages, (2) use collocation cages of any size without a minimum requirement, and (3) use "cageless" collocation. These arrangements allow competitors to use central office space more efficiently, and can reduce the cost of collocation. Adoption of alternative space arrangements will result in more competitors that can physically collocate their own equipment, and hence more robust competition. The Commission's adoption of national collocation rules will promote competition by eliminating one of its most significant obstructions.

Recent developments suggest that another delay for local competition, one imposed by the judicial process, may soon be

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17 Virtual Collocation Order at ¶ 127.

resolved. The Commission's local competition rules -- and consequently the status of the market -- have remained largely suspended during litigation of the Local Competition Order. The Supreme Court's pending review of the Eighth Circuit's decision will provide some certainty to telecommunications markets, allowing competitive plans to proceed at an accelerated pace.

Finally, technological developments are likely to assist the market-based approach in achieving the Commission's objectives. The telecommunications industry generally agrees that IP telephony is likely to exert downward pressure on access charges.[18]

Hence, there is evidence strongly suggesting imminent growth in competition, and the Commission and State regulators can take actions now (particularly in the area of collocation) to further advance the pace of local competition. Although the evidence of actual competition is not sufficient to permit ILEC pricing flexibility, the evidence of emerging and potential competition provides an ample basis to forego the severe shift caused by prescriptive measures. Continued patience with the market-based approach is therefore the best course.[19]

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18 See Telecommunications Reports at 17, supra n.5.

19 In the interim, the Commission has implemented a backstop mechanism through the existing X-Factor that will guarantee annual price reductions until competition has developed sufficiently to produce these reductions (if not greater reductions).

III. TO ALLOW A MARKET-BASED APPROACH TO FUNCTION PROPERLY, THE COMMISSION MUST NOT GRANT PRICING FLEXIBILITY PREMATURELY.

Of course, a market-based approach must be designed and enforced properly. Its success depends on the development of competition that, in turn, requires ILEC cooperation. The Commission will not secure ILEC cooperation if it distributes the rewards (i.e., pricing flexibility) prematurely. To that end, an effective market-based mechanism must involve quantitative market measurements as conditions for increased ILEC pricing flexibility. Moreover, relaxation of regulations must be implemented gradually and should occur in response to actual rather than potential competition.

A. The X-Factor Should Not Be Revisited At This Time.

For example, as a component of pricing flexibility, Bell Atlantic and Ameritech urge the Commission to lower or eliminate the X-Factor.[20] The recent hints at competition described above do not serve as a credible basis to adjust the X-Factor. Indeed, reconsideration of the X-Factor at this time is inappropriate and damaging to the goals of the Commission's price cap scheme. At the outset, having just approved a study for the current X-Factor, it would be wasteful to reexamine the issue at this time.

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20 Letter from Kenneth Rust, Director, Federal Regulatory Affairs, Bell Atlantic, to Magalie Roman Salas, Secretary, Federal Communications Commission, April 27, 1998 ("Bell Atlantic Ex Parte"); Letter from Anthony M. Alessi, Director, Federal Relations, Ameritech, to Magalie Roman Salas, Secretary, Federal Communications Commission, June 5, 1998 ("Ameritech Ex Parte").

Moreover, the mere consideration of a change in the X-Factor undermines the Commission's own regulatory regime by reviving the inefficient incentives that exist under rate-of-return regulation. This is because frequent reconsideration of the X-Factor diminishes a carrier's incentives to increase efficiency. A regulated carrier anticipates that higher levels of performance will be demanded by recalculation of the X-Factor. The more frequently the X-Factor is adjusted, the less a regulated carrier will realize rewards for productivity. The regulated carrier will encounter a corresponding incentive to maintain inflated costs for regulated services because those costs will be reflected in a frequent X-Factor review process.

Professor Kahn previously explained that a "pure" price cap scheme -- one in which the "link" between prices and costs is permanently severed -- does not exist in the real world. As Professor Kahn observed, a "pure" price cap scheme is an arrangement in which the government surrenders "for all time" the option of reviewing the regulated carrier's rates. Professor Kahn stated, "permitting a carrier to change its choice of X-Factor annually could create opportunities for abuse."[21] The more an ILEC's costs are subject to review vis-à-vis the applicable X-Factor, the more the incentives of a rate-of-return regime dominate and the less the benefits of a price cap scheme

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21 Price Cap Performance Review for Local Exchange Carriers, CC Docket No. 94-1, *Fourth Further Notice of Proposed Rulemaking*, 10 FCC Rcd 13659 at ¶¶ 119-120 (1995).

are permitted to operate.[22] It follows that the price cap regulated ILEC retains a heightened incentive to cross-subsidize, to maintain high costs for regulated services, and otherwise to fail to adopt efficiency-generating practices when the X-Factor is revisited frequently.

The harmful consequences of frequently adjusting the X-Factor are heightened by the proposed ILEC mega-mergers. As Drs. Joseph Farrell and Bridger Mitchell explain, "an increase in the share of nationwide lines controlled by a single company . . . substantially worsens the ratchet effect created by periodic revision of the X-factor."[23] This is so because "a cost-reducing action by one of the original firms will reduce the access price that can be charged by its partner."[24] The X-Factor adjustment process dampens the productivity incentives of price cap regulation. An increase in the frequency of these adjustments in combination with the pending ILEC mega-mergers will magnify the productivity disincentives of regulated carriers.

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22 See, e.g., First Report and Order at ¶ 292 ("[G]iven our consistently critical past statements about rate of return-based adjustments to price caps, a decision now to reinitialize PCIs to any specified rate of return would further undermine future efficiency incentives by making carriers less confident in the constancy of our regulatory policies.").

23 Drs. Joseph Farrell and Bridger M. Mitchell, "Benchmarking and the Effects of ILEC Mergers," Applications of Ameritech Corp. and SBC Communications for Consent to Transfer Control, CC Docket No. 98-141, *Petition to Deny of Sprint Communications Company L.P.*, Attachment C at 40 (filed Oct. 15, 1998).

24 Id. at 39.

B. The Commission Has Already Addressed ILEC Needs For Pricing Flexibility.

In the larger context, premature pricing flexibility will remove ILEC incentives to cooperate in accomplishing local competition and access charge reductions. Demonstrable, effective competition is a necessary predicate to ILEC pricing flexibility. Even allowing ILECs geographically limited pricing flexibility can lead to disastrous consequences for competition and, therefore, access charge reduction.[25] By eliminating the sharing requirement of its price cap scheme (while retaining the low end adjustment mechanism), the Commission established the foundation for deregulating services as competition develops.[26] Additional pricing flexibility remains unwarranted at this time.

ILECs contend that without pricing flexibility, they will be unable to serve their customers adequately.[27] These arguments are advanced in a variety of now familiar guises -- all lack merit for reasons previously explained by TWTC in these proceedings.[28] They suggest that developments in small

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25 The Commission has recognized that it "must attend carefully to this task of granting incumbent LECs increased pricing flexibility commensurate with competitive developments . . . ." First Report and Order at ¶ 260.

26 See Price Cap Performance Review for Local Exchange Carriers; Access Charge Reform, CC Docket Nos. 94-1 and 96-262, *Fourth Report and Order in CC Docket No. 94-1 and Second Report and Order in CC Docket No. 96-262*, 12 FCC Rcd 16642 (1997).

27 See Bell Atlantic Ex Parte; Ameritech Ex Parte.

28 See Access Charge Reform, et al., CC Docket Nos. 96-262, 94-1, 91-213, 96-263, *Comments of Time Warner Communications Holdings, Inc.* (filed Jan. 29, 1997) ("TWTC Access Charge Initial Comments") and *Reply Comments of Time Warner*

geographic pockets for high capacity services warrant flexibility to respond to market pressures.[29] These arguments have been made before and the Commission has adequately addressed them.[30] Summarily, ILECs have asserted the need for pricing flexibility in order to maintain the recovery of subsidies from access charges. However, the implementation of the Universal Service Fund will remove subsidies from access charges, thereby eliminating the need for pricing flexibility on that basis. For transport services, geographic zone deaveraging is already available to ILECs, and the ILECs have made no demonstration that further flexibility is warranted in this area. Finally, with respect to switching costs, it has never been demonstrated -- and is doubtful -- that variation in switching costs occurs due to geographic considerations. Hence, flexibility for switched access services on a geographically deaveraged basis is not justified.

C. ILEC Contract Pricing Must Not Be Permitted Prior To A Commission Finding Of Substantial Competition.

ILECs continue to propose the notion of addressibility as a basis for allowing pricing flexibility. These proposals lack merit, and the Commission must not permit ILECs to offer contract

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Communications Holdings, Inc. (filed Feb. 14, 1997)("TWTC Access Charge Initial Reply Comments").

29 Bell Atlantic Ex Parte; Ameritech Ex Parte.

30 TWTC has also addressed these issues at length and urges the Commission to consider TWTC's analyses. See TWTC Access Charge Initial Comments; TWTC Access Charge Initial Reply Comments.

tariffs in the early phases of a market approach. This would permit too much flexibility too early in the development of competition. The Commission acknowledges as much by stating that

> [a]t Phase 1, the entry barriers to competition will have been removed, but <u>competition may not yet be sufficient to constrain the incumbent LECs from raising prices unreasonably</u> for those customers not under contract tariffs.[31]

It would be imprudent for the Commission to permit ILECs to offer contract tariffs while they continue to retain the ability to discriminate unreasonably and, despite the Commission's proposed safeguards, to cross-subsidize competitive contract tariff offerings with revenues from non-competitive offerings. Instead, the Commission should require that substantial competition be in place before it considers pricing flexibility. To that end, the Commission should require the same competitive showings by the ILECs as were required of AT&T.

The Commission granted AT&T the authority to offer contract tariffs only after it had determined that the interstate interexchange business services market was substantially competitive.[32] The Commission sought comment on and relied upon a myriad of factors to determine the level of competition in the relevant market. These factors included a determination that

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31 <u>Access Charge Reform, et al.</u>, CC Docket Nos. 96-262, 94-1, 91-213, 96-263, *Notice of Proposed Rulemaking, Third Report and Order, and Notice of Inquiry*, 11 FCC Rcd 21354 at ¶ 195 (1996)(emphasis added).

32 <u>Competition in the Interstate Interexchange Marketplace</u>, CC Docket No. 90-132, *Report and Order*, 6 FCC Rcd 5880 at ¶ 36 (1991).

business customers to whom contract tariffs would be offered were largely demand elastic,[33] a finding supported by documented evidence of AT&T's lower market share in the business services segment of the market than in other markets.[34]

In addition, after reviewing studies and analyses of traffic volumes and supply capacity, the Commission concluded that supply elasticities in the interstate interexchange market were high.[35] Thus, AT&T's previously captive ratepayers had sufficient and substitutable alternatives for AT&T's services. Therefore, evidence supported the conclusion that AT&T's competitors could inhibit AT&T from charging excessive rates and could control the abuse of its market power.

Further, AT&T had never exceeded the price cap ceiling for the relevant basket and had a total market share in business services of about fifty percent.[36] The Commission noted that, combined with the high demand and supply elasticities of the market, a fifty percent market share was indicative of a highly competitive market.[37]

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33 Id. at ¶ 37.

34 Id. at ¶ 40 (noting that 58% of AT&T's revenues for switched business services came from companies that also took service from one or more of AT&T's competitors and that 80% of companies questioned in a survey used at least two transmission suppliers).

35 Id. at ¶ 46 (concluding that "AT&T's competitors [had] substantial excess capacity available immediately and in the relative short-term" to constrain AT&T's market behavior).

36 Id. at ¶¶ 49-50.

37 Id. at ¶ 51. Where, as here, there is an absence of high demand and supply elasticities, as described above, a fifty

Finally, the Commission reviewed IXC cost structures and the advantages conferred by the size and resources of AT&T and ultimately concluded that "competition in business services is thriving . . . AT&T's competitors are growing, and . . . consumers are benefitting [sic] from these occurrences."[38]

A similar analysis and conclusion is warranted prior to granting ILECs further pricing flexibility. Absent such a detailed market study, contract tariffs are simply unwarranted and any decision granting such flexibility would likely be overturned as an arbitrary and capricious departure from the policies established in the AT&T context.

D. Premature Pricing Flexibility Would Endanger The Development Of Competition.

The dangers inherent in the ILEC price discrimination proposals are self-evident: ILECs would have the opportunity to cross-subsidize their competitive services by maintaining supernormal rates for their captive customers. The Commission must insist upon substantial evidence of actual competition for an ILEC's presently "captive" ratepayers before granting price flexibility for present customers with modest competitive alternatives. As the Commission explained:

> [d]eregulation before competition has established itself . . . can expose consumers to the unfettered exercise of monopoly power and, in some cases, even stifle the development of competition, leaving a

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percent market share in any particular market segment or geographic location would not be indicative of a highly competitive market.

38 Id. at ¶ 61.

> monopolistic environment that adversely affects the interests of consumers.[39]

Moreover, the high sunk costs required for facilities-based entry and the new entrants' general reliance on a small number of large customers gives the ILEC an opportunity to selectively drop prices to deter or discipline entry. Efficient competitors would be precluded from entry, thereby maintaining the ILEC's monopoly presence.

The Commission addressed these dangers when it rejected Southwestern Bell's Transmittal No. 2633 to its F.C.C. Tariff No. 73. In the Tariff Rejection Order, the Commission noted that

> Transmittal 2633 allows SWBT a virtually unlimited opportunity to preempt new market entrants in its territory by reducing rates to individual customers to which it believes new entrants may make offers, without making those rates available to similarly situated customers elsewhere.[40]

The same principle applies to the ILEC pricing flexibility proposals. The customer-by-customer pricing flexibility contained in these proposals would permit ILECs to engage in the purest form of price discrimination: prices would only be lowered where necessary to defeat competition while the rest of the subscriber base would subsidize these efforts by paying supernormal rates. For example, medium and low capacity service offerings utilize some of the same trunking facilities as high

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[39] First Report and Order at ¶ 270.

[40] Southwestern Bell Telephone Company, CC Docket No. 97-158, Transmittal No. 2633, Tariff F.C.C. No. 73, *Order Concluding Investigation and Denying Application for Review*, 12 FCC Rcd 19311 at ¶ 42 (1997).

capacity service offerings. The fact that these facilities are shared renders it difficult to detect cross-subsidization. Notwithstanding the substantial shared facilities, under ILEC pricing flexibility proposals, medium and low capacity service customers will not receive the lower rates that high capacity service customers will receive. To be effective, ILEC pricing flexibility should not be granted in piecemeal fashion and must not be afforded until actual competition is quantitatively evident.

IV. CONCLUSION

For the foregoing reasons, TWTC respectfully urges the Commission to refrain from granting ILEC pricing flexibility or reconsidering the X-Factor at this time. Rather, TWTC encourages the Commission to continue its market-based approach to reducing interstate access charges.

Respectfully submitted,

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